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PRESS RELEASE

For Immediate Release
October 5, 2018

Butte County DA and PG&E Reach \$1.5 Million Settlement on October 2017 Fires

Butte County District Attorney Mike Ramsey and Pacific Gas and Electric Company (PG&E) jointly announced today the establishment of an **Enhanced Fire Prevention and Communications Program** to better monitor PG&E's wildland transmission lines to prevent fires caused by those lines. The Program will be run and administered by the Butte County Fire Department and paid for by PG&E in the amount of \$1.5 million as a result of a settlement agreement between the DA and PG&E.

Under the agreement, PG&E will fund the Program for at least four years, which will provide additional inspections of its power lines and poles in Butte County aimed at keeping its lines and poles clear of vegetation. The parties believe the Program will help to reduce the increasing wildfire risk. The settlement funds the salaries of four Defensible Space Inspectors dedicated to power line inspections, the purchase and maintenance of two vehicles, the purchase and maintenance of an ATV and trailer, and the purchase of laptops, field tablets and cell phones for each of the power line inspectors.

Although the settlement agreement specifically and explicitly does not constitute any admission of wrongdoing on the part of PG&E, the agreement does specifically prohibit PG&E from recovering any of the costs of the Program from its customers in the form of rate increases.

The settlement agreement covers three Butte County fires from October 2017 that were alleged by Cal Fire investigators to have been caused by vegetation contacting PG&E distribution lines. Two of the fires, the LaPorte and Cherokee Fires, were determined by Cal Fire to have been started through an extreme wind event unexpectedly blowing branches onto PG&E lines, sparking large destructive fires. However, no criminal liability on the part of PG&E was alleged as vegetation in the area of fires' origins was properly trimmed back.

The third fire, the Honey Fire, ignited on October 9, 2017 at approximately 3:00 p.m. on Honey Run Road in Butte Creek Canyon. The Honey Fire quickly grew and threatened the Town of Paradise. Butte County Fire/Cal Fire was able to stop the forward progress of the fire and contain it to 150 acres. No structures were damaged in the fire and no persons suffered injury. Other than damage to a fence, the fire damage was limited to grass and trees. Cal Fire determined the cause of the Honey Fire to be a tree branch coming into contact with a PG&E transmission line.

On May 24, 2018, Cal Fire investigators submitted their reports on the Honey Fire for a possible misdemeanor prosecution of PG&E based on an alleged failure to properly trim the branch away from its lines. The District Attorney's Office began negotiations with PG&E representatives during the summer which lead to the settlement agreement (attached hereto) forgoing any criminal punishment, which had a maximum fine of \$1,000, and instead substituting the \$1.5 million Program.

Sumeet Singh, Vice President of PG&E's Community Wildfire Safety Program, said, "Years of drought, extreme heat and 129 million dead trees require that we continuously adapt to keep our communities safe. We appreciate the partnership with the Butte County Fire Department to complete this important safety work."

DA Ramsey said, "Electrical transmission lines in the wildlands are necessary in the modern world. Our goal throughout this process was to increase the safety of the citizens of Butte County. Rather than seek a minimal criminal fine we sought a settlement similar to one in 1998 which substantially reduced electrical-line-caused wildland fires at the beginning of this century. We very much appreciate the cooperation of PG&E in stepping forward once again and making fire safety a top priority."